

44446



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8
999 18TH STREET - SUITE 200
DENVER, CO 80202-2466
Phone 800-227-8917

Ref: 8P-W-GW

DEC -2 2005

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Steve Wall, Office Supervisor
Petroglyph Operating Company, Inc.
4116 West 3000 South Ioka Lane
Roosevelt, UT 84066

Re: Modification No. 1 - Minor Modification
UIC Area Permit UT20736-00000
Antelope Creek Water Flood Project
Duchesne County, UT

Dear Mr. Wall:

On October 27, 2005, the Region 8 Ground Water Program offices of the Environmental Protection Agency received a letter from Petroglyph Operating Company, Inc. (Petroglyph) consenting to modification of EPA UIC Area Permit UT20736-00000 to change pressure testing requirements for demonstrating Part I (Internal) Mechanical Integrity. Enclosed is a copy of the modified Permit language.

Please be reminded that Part I (Internal) Mechanical Integrity of the well must be demonstrated following completion of injection well completion or conversion, and at least once every five years thereafter.

If you have any questions regarding this modification, please contact Dan Jackson of my staff at (303) 312-6155, or by email at jackson.dan@epa.gov.

Sincerely,

for Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

	GREEN	BLUE	CBI
TAB		/	



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Re: Modification No. 1 - Minor Modification
UIC Area Permit UT20736-00000
Antelope Creek Water Flood Project
Duchesne County, UT

Scan under
UT 20736-00000
66 Modification - Minor
Mod Approved
12/2/2005

Ground Water Program offices of the Environmental
Petroglyph Operating Company, Inc. (Petroglyph)
Area Permit UT20736-00000 to change pressure testing
(Internal) Mechanical Integrity. Enclosed is a copy of the

(Internal) Mechanical Integrity of the well must be
before well completion or conversion, and at least once

For this modification, please contact Dan Jackson of my
office at dan.dan@epa.gov.

Sincerely,

Deb H. Thra

for Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

	GREEN	BLUE	CBI
TAB		/	



cc: without enclosures

Maxine Natchees, Chairperson
Uintah & Ouray Business Committee
Ute Indian Tribe
P.O. Box 190
Fort Duchesne, UT 84026

Chester Mills, Superintendent
BIA - Uintah & Ouray Indian Agency
P.O. Box 130
Fort Duchesne, UT 84026

cc: with enclosures

Mr. Kenneth Smith
Executive Vice President and Chief Operating Officer
Petroglyph Energy, Inc.
555 S. Cole Blvd
Boise, ID 83709

Elaine Willie
Environmental Coordinator
Ute Indian Tribe
P.O. Box 460
Fort Duchesne, UT 84026

Gil Hunt
Technical Services Manager
Utah Division of Oil, Gas, and Mining
1594 West North Temple - Suite 1220
Salt Lake City, UT 84114-5801

Kirk Fleetwood, PE
BLM - Vernal District
170 South 500 East
Vernal, UT 84078

EPA UIC Area Permit UT20736-00000

Permit Modification No. 1: Minor Modification

Antelope Creek Water Flood Enhanced Oil Recovery Project Antelope Creek Oil Field, Duchesne County, Utah

Pursuant to requirements of 40 CFR 144.39 and 40 CFR 144.40, this modification of Part I (Internal) mechanical integrity testing requirements is considered to be a Minor Modification of EPA UIC Permit UT20736-00000. This Modification is effective upon signature.

Date: DEC - 2 2005



Stephen S. Tuber

for *Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

** The person holding this title is referred to as the Director in the Permit.*

ORIGINAL PERMIT LANGUAGE:

PART II. SPECIFIC PERMIT CONDITIONS

C. WELL OPERATION

3. Mechanical Integrity. A demonstration of the absence of significant leaks in the casing, tubing and packer must be made by performing a tubing/casing annulus pressure test. This test shall be for a minimum forty-five (45) minutes at: (1) a pressure of 300 pounds per square inch gauge (psig) measured at the surface, if the well is shut in; or (2) a pressure differential of 200 psig between the tubing and the tubing/casing annulus, if injection activities are continued during the test. The tubing/casing annulus shall be filled with a non-corrosive fluid (either a non-toxic liquid or the injection liquid) at least twenty-four (24) hours in advance of the test. Pressure values shall be recorded at five-minute intervals. A well passes the mechanical integrity test if there is less than a ten (10) percent decrease or increase in the pressure over a forty-five (45) minute period.



PART III. GENERAL PERMIT CONDITIONS

(c) **Twenty-four hour reporting.**

(i) The Permittee shall report to the Director any noncompliance which may endanger human health or the environment, including. Any information shall be provided orally within twenty four (24) hours from the time the permittee becomes aware of the circumstances by telephoning EPA at 1-800-424-8802. The following shall be included as information which must be reported orally within twenty four (24) hours:

(A) Any monitoring or other information which indicates that any contaminant may cause endangerment to an underground source of drinking water.

(B) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between underground sources of drinking water.

(ii) A written submission shall also be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause; the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance

(d) **Other Noncompliance.** The Permittee shall report all instances of noncompliance not reported under paragraphs Part III, Section E Paragraph 11(b) or Section E, Paragraph 11(e) at the time the monitoring reports are submitted. The reports shall contain the information listed in Paragraph 11(e) of this Section.

(e) **Other information.** Where the Permittee becomes aware that it failed to submit any relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Director, the Permittee shall promptly submit such facts or information to the Director.

IS MODIFIED TO READ:

PART II. SPECIFIC PERMIT CONDITIONS

C. WELL OPERATION

3. **Mechanical Integrity.** A demonstration of the absence of significant leaks in the casing, tubing and packer must be made by performing a tubing/casing annulus pressure test. This test shall be for a minimum thirty (30) minutes: (1) if the well is shut in, at a pressure of at least 1000 pounds per square inch gauge (psig) measured at the surface or the permitted Maximum Allowable Injection Pressure (MAIP), whichever is less; and (2) if injection activities are continued during the test, with a pressure differential of at least 200 psig between the tubing and the tubing/casing annulus and at a pressure of at least 1000 pounds per square inch gauge (psig) measured at the surface or the permitted Maximum Allowable Injection Pressure (MAIP), whichever is less. The tubing/casing annulus shall be filled with a non-corrosive fluid (either a non-toxic liquid or the injection liquid) at least twenty-four (24) hours in advance of the test. Pressure values shall be recorded at five-minute intervals. A well passes the mechanical integrity test if there is less than a ten (10) percent decrease or increase in the pressure over a thirty (30) minute period.

PART III. GENERAL PERMIT CONDITIONS

(c) Twenty-four Hour Reporting.

- (i) The Permittee shall report to the Director any noncompliance which may endanger human health or the environment, including:
 - (i) Any monitoring or other information which indicates that any contaminant may cause endangerment to a USDW; or
 - (ii) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between USDWs.
- (ii) Information shall be provided, either directly or by leaving a message, within twenty-four (24) hours from the time the permittee becomes aware of the circumstances by telephoning (800) 227-8917 and requesting EPA Region VIII UIC Program Compliance and Technical Enforcement Director, or by contacting the EPA Region VIII Emergency Operations Center at (303) 293-1788.

In addition, a follow up written report shall be provided to the Director within five (5) days of the time the Permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause, the period of noncompliance including exact dates and times, and if the noncompliance has not been corrected the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.

- (d) **Oil Spill and Chemical Release Reporting:** The Permittee shall comply with all reporting requirements related to the occurrence of oil spills and chemical releases by contacting the National Response Center (NRC) at (800) 424-8802, (202) 267-2675, or through the NRC website <http://www.nrc.uscg.mil/index.htm>.
- (e) **Other Noncompliance:** The Permittee shall report all instances of noncompliance not reported under paragraphs Part III, Section E Paragraph 11(b) or Section E, Paragraph 11(e) at the time the monitoring reports are submitted. The reports shall contain the information listed in Paragraph 11(e) of this Section.
- (f) **Other information.** Where the Permittee becomes aware that it failed to submit any relevant facts in the permit application, or submitted incorrect information in a permit application or in any report to the Director, the Permittee shall promptly submit such facts or information to the Director.

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>		<p>A. Signature <input checked="" type="checkbox"/> Dana E. Illingim <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>1. Article Addressed to:</p> <p style="text-align: right;">DEC - 2 2005</p> <p>Steve Wall, District Manager Petroglyph Energy, Inc. 4116 West 3000 So. Ioka Lane Roosevelt, UT 84066</p> <p style="color: blue;">4T20736-00000</p>		<p>B. Received by (Printed Name) C. Date of Delivery</p> <div style="border: 2px solid black; padding: 5px; text-align: center;"> <p>RECEIVED</p> <p>DEC 8 2005</p> <p>EPA Region 8 Ground Water Program</p> </div>	
<p>2. Article Number (Transfer from service label)</p>		<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below:</p>	
<p>PS Form 3811, February 2004</p>		<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
<p>7001 0320 0005 9389 3699</p>		<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
<p>Domestic Return Receipt</p>		<p>102595-02-M-1540</p>	

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	DEC - 2 2005
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
<p>Sent To</p> <p>Street, Apt. No., or PO Box No. Steve Wall, District Manager Petroglyph Energy, Inc. City, State, ZIP+4 4116 West 3000 So. Ioka Lane Roosevelt, UT 84066</p>	
<p>PS Form 3800, January 2001 See Reverse for Instructions</p>	

UIC Program Action : *Minor Mod- increase revise MIT requirements*

UIC Number: *VT20736-00000* Well Name : *Area Permit*

Operator: _____

Non Form

		Mailcode	Initials	Date
Writer: <i>DMJ</i>	phone: <i>6155</i>	8P-W-GW	<i>DMJ</i>	<i>11/14/05</i>
UIC Review	<input type="checkbox"/> DWJ <input type="checkbox"/> CT <input type="checkbox"/> NW (8ENF-UFO)	8P-W-GW		
B Thomas, Admin	proof	8P-W-GW	<i>BT</i>	<i>11/15</i>
T Eagle, Dir, GWP	<input type="checkbox"/> concur <input type="checkbox"/> signature	8P-W-GW	<i>TE</i>	<i>11/14</i>
L Johnson, Admin	proof	8P-W	<i>LJ</i>	<i>11/14</i>
D Thomas, Dir, WP	<input type="checkbox"/> concur <input type="checkbox"/> signature	8P-W	<i>DHS</i>	<i>11/18/05</i>
M Brennan, Admin	proof	8-P		
S Tuber, ARA, OPRA	<input type="checkbox"/> signature	8-P	<i>DHS</i>	<i>11/18/05</i>
K Bartholow	Data Entry & date stamp & mail original letter & <u>copy</u> of docs to Addressee	8P-W-GW	<i>KB</i>	<i>12/2</i>
J Taylor	send Public Notice	8P-W-GW		
B Thomas, Admin	mail copies to CC's	8P-W-GW	<i>BT</i>	<i>12/6</i>
Writer	file documents	8P-W-GW		

LEFT SIDE

- Concurrence Copy
- Request Letter & relevant information
-
-

RIGHT SIDE

- Response Letter
-
-

COMMENTS:



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CONCURRENCE COPY

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Sincerely,

Stephen S. Tuber
Assistant Regional Administrator
Office of Partnerships and Regulatory Assistance

8P-W-GW
Dmg
11/14/05

8P-W-GW
Judy Engle
11/16/05



cc: without enclosures

Maxine Natchees, Chairperson
Uintah & Ouray Business Committee
Ute Indian Tribe
P.O. Box 190
Fort Duchesne, UT 84026

Chester Mills, Superintendent
BIA - Uintah & Ouray Indian Agency
P.O. Box 130
Fort Duchesne, UT 84026

cc: with enclosures

Mr. Kenneth Smith
Executive Vice President and Chief Operating Officer
Petroglyph Energy, Inc.
555 S. Cole Blvd
Boise, ID 83709

Elaine Willie
Environmental Coordinator
Ute Indian Tribe
P.O. Box 460
Fort Duchesne, UT 84026

Gil Hunt
Technical Services Manager
Utah Division of Oil, Gas, and Mining
1594 West North Temple - Suite 1220
Salt Lake City, UT 84114-5801

Kirk Fleetwood, PE
BLM - Vernal District
170 South 500 East
Vernal, UT 84078